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You will do better
resettlement
planning and
implementation if
you put yourself in
the shoes (houses
and jobs) of the
affected persons.



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Involuntary Resettlement: Good Practice According to Donor Policies

The policies of the World Bank, International Finance Corporation, Equator Principles, Asian Development Bank, Inter-American Development Bank, and other international finance institutions address involuntary resettlement. These institutions are the main drivers of how to address resettlement in developing countries. Donor policies on involuntary resettlement cover both physical displacement and economic dislocation (loss of assets or access to assets that leads to loss of livelihood) as a result of land acquisition or restrictions on land use. Resettlement is involuntary when those affected cannot refuse, because expropriation could occur, even if those displaced willingly agree to compensation. Experience shows that people suffer when their rights are not respected.

The key concerns in involuntary resettlement are potential impoverishment of populations, especially those who are poor or vulnerable, due to forced acquisition of land and other assets for development projects. Restoring—and preferably improving—the standards of living and livelihoods of those affected is the principal objective to reduce losses and any stress of resettlement. Two points are fundamental: (1) Do not make people poorer or more vulnerable in the name of the greater public good; and (2) Consider involuntary resettlement as an opportunity to improve projects, enhance benefits, and reduce dependency.

International policies recognize both formal legal tenure and informal or customary land tenure/use as eligibility criteria for compensation and livelihood restoration. Thus, formal legal rights are not required. Even those who have no recognizable claim to the land they occupy are eligible for replacement of assets, livelihood restoration and sometimes special measures to achieve security of tenure.

Fair compensation is defined as replacement cost, and includes transaction costs, e.g., administration fees or land clearing for farming. An important principle is to provide “land for land” wherever possible, so those with land-based livelihoods can continue in their occupations. Security of tenure must be assured: individuals or communities must be resettled to a site that they can occupy legally and where they are protected from risk of eviction. Trees and standing crops are valued at market rates and compensated, as are other assets.

Resettlement planning depends on the nature and extent of impacts, which vary by project. Areal projects, e.g., reservoirs or mines, typically require removal of entire communities, causing loss of livelihoods, disruption of social networks, and weakening of community cohesion. Linear projects, e.g., roads or sewer lines, usually affect a few people in many communities, but there is often enough land left for them to stay in their communities. Urban projects affect dense settlements, where both owners and renters need to be considered (especially if they lose income permanently or temporarily); such resettlement is apt to be more politically sensitive. In new resettlement sites, infrastructure equivalent to or better than what was lost is provided. Host community infrastructure may also need to be upgraded to a level equivalent to that provided to newcomers.

Impacts vary in all projects. People may lose all or only part of their residence, business, or farm. If the loss is partial, they may still be able to live in their home or operate

their business. Also, the losses of land or other assets can be permanent or temporary (land is usable after construction or vendors can move back into their market spaces). Total loss is usually more severe than either partial or temporary loss. Rehousing or relocation is often more successful than livelihood restoration, particularly if people need to change their occupations.

During resettlement planning, both a census of affected households and business operations and an inventory and valuation of affected assets are always necessary. Further, intermittent users such as herders or fisher folk or vendors at weekly markets must be included. Developing a comprehensive entitlement matrix laying out the standards of compensation and allowances, e.g., moving costs, temporary income loss, or rental payments, based on knowledge of the production system, social relationships, cultural norms, and local legal requirements is good practice.

Resettlement implementation is the challenge. A bad plan will likely result in difficult implementation, but a good plan can be undone by ineffective implementation. Effective implementation requires institutional capacity, management support and a strong monitoring system. The need is to identify difficulties in a timely manner, e.g., social disruption, apprehension, unfair compensation calculations, persons refusing to move, men squandering monetary compensation meant for housing, and hardships to women and children.

FURTHER READING

Asian Development Bank. 2009. Safeguard Policy Statement, Appendix 2.

Equator Principles. 2013. Implementation Note.

International Finance Corporation. 2012. Performance Standard 5 and Guidance Note 5.

International Finance Corporation. 2009. Addressing Grievances from Project-Affected Communities.

World Bank. 2016. Environmental and Social Framework: Setting Environmental and Social Standards for Investment Project Financing: Environmental and Social Standard 5, Land Acquisition, Restrictions on Land Use and Involuntary Resettlement.

World Bank. 2013. Operational Policy 4.12 on Involuntary Resettlement.

FIVE IMPORTANT THINGS TO KNOW

1. Avoid or reduce involuntary resettlement to reduce project risks and impacts.
2. Pay special attention to the concerns of vulnerable groups (indigenous peoples, very poor persons, the elderly, the handicapped and sometimes women, sharecroppers, herders and renters in urban areas).
3. Ensure consultation, participation, and decision-making for successful project planning and implementation. Consult early, frequently, and thoroughly both with those affected and with host communities throughout the project cycle.
4. Tailor scopes of work for planning and implementation to each situation. Changes will occur, and resettlement implementation must remain flexible.
5. Promote provision of project benefits to those affected.

FIVE IMPORTANT THINGS TO DO

1. Work with design engineers to minimize land takings and revise the original technical designs.
2. Implement special measures to canvass and reassure vulnerable and poor populations; make sure that enough enumerators are women and that all are trained in conflict avoidance.
3. Collect pertinent baseline information for evaluation of resettlement effects.
4. Establish a grievance redress mechanism that is open, independent, and transparent, as well as coordinated with other grievance systems, i.e., contractor damages or environmental damages.
5. Emphasize monitoring to identify issues and obstacles that need remedial action in the short term, as well as long-term recovery of the affected population.

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